

IMPROVEMENT DEVELOPMENT GROWTH LIMITED

Report and Unaudited Financial Statements

Year ended 31 March 2021

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COMPANIES HOUSE

Company Registration Number: 04141322 (England and Wales)

IMPROVEMENT DEVELOPMENT GROWTH LIMITED

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IMPROVEMENT DEVELOPMENT GROWTH LIMITED

COMPANY INFORMATION

Directors

M Hughes MBE

C H Jones

Company Secretary

P A Simpson

Registered office

Lee House

90 Great Bridgewater Street

Manchester

M1 5JW

Accountant

RSM UK Tax and Accounting Limited

Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

Bankers

National Westminster Bank PLC

19 Market Street

Manchester

M1 1WR

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
DIRECTORS' REPORT
For the year ended 31 March 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of the assessment, and awarding, of the accreditation of Investors In People status to entities in the North of England.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Hughes MBE

C H Jones

C P Geering

S A Burrows

(Appointed 24 October 2021)

(Appointed 15 January 2021, resigned 31 October 2021)

(Resigned 18 December 2020)

Results and dividends

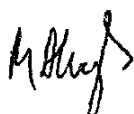
The results for the year are set out on page 4.

Qualifying third party indemnity provisions

The company has made qualifying third-party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the board



Mark Hughes

Director

16th November 2021

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
TURNOVER		2,456	3,152
Other operating income	2	68	-
Other external expenses		(1,457)	(1,989)
Staff costs	3	(729)	(794)
Other operating expenses		(262)	(318)
Exceptional items	4	<u>(41)</u>	<u>-</u>
SURPLUS BEFORE TAXATION		35	51
Tax on surplus		<u>(5)</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>30</u>	<u>52</u>

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
STATEMENT OF FINANCIAL POSITION
For the year ended 31 March 2021

Company Registration No. 04141322

	Notes	2021 £'000	2020 £'000
CURRENT ASSETS			
Debtors	6	2,002	1,975
Cash at bank and in hand		148	244
		<u>2,150</u>	<u>2,219</u>
CREDITORS: amounts falling due within one year	7	<u>(467)</u>	<u>(566)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,683</u>	<u>1,653</u>
CAPITAL AND RESERVES			
Revenue reserve		<u>1,683</u>	<u>1,653</u>
TOTAL EQUITY		<u>1,683</u>	<u>1,653</u>

For the financial year ended 31 March 2021, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its financial statements for the year in question, in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the *small companies' regime*.

The financial statements were approved by the board of directors and authorised for issue on 16th November 2021 and are signed on its behalf by:



Mark Hughes
Director

IMPROVEMENT DEVELOPMENT GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

Company information

Improvement Development Growth Limited ("the company") is a private company limited by guarantee and is registered, domiciled and incorporated in England and Wales. The registered office is Lee House, 90 Great Bridgewater Street, Manchester, M1 5JW.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' — Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' — Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' — Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' — Compensation for key management personnel.

Going concern

The directors have reviewed a detailed re-forecast to March 2021 and weekly cashflow forecasts for the 12 month period from the date of signing these financial statements which includes the following assumptions; market intelligence and company track record has been used to shape relatively prudent estimates, adaptation of the business model to a digitalised approach, continuation of a fixed IIP Licence cost and the potential to utilise existing bank facilities should the need arise. As such the directors believe that they have a reasonable expectation that the company will be able to operate within its available resources and there will be sufficient funds to enable the company to continue as a going concern for the foreseeable future.

As a result, the financial statements have been prepared on a going concern basis.

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business and is shown net of VAT and other sales related taxes.

Turnover from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Grants received

Grants of a revenue nature are credited to the statement of comprehensive income in the period to which they relate.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

The government grant income received during the year ended 31 March 2021 related to the government's Coronavirus Job Retention Scheme.

Where a grant does not specify performance conditions, it is recognised in income when the proceeds are received or receivable.

Exceptional items

The company has adopted an accounting policy and statement of comprehensive income format which seeks to highlight significant items of income and expense within the results for the year. The directors believe that this presentation provides a more helpful analysis as it highlights one off items, such as significant restructuring costs, profit or losses on disposal or termination of operations or leases and legal costs and settlements. The directors in assessing the particular items, which by virtue of their scale and nature are disclosed in the statement of comprehensive income and related notes as exceptional items, use judgement.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, prepayments and accrued income and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

IMPROVEMENT DEVELOPMENT GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except for investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2. OTHER OPERATING INCOME

	2021 £'000	2020 £'000
Furlough grant income	68	-

Income received from the government's Coronavirus Job Retention Scheme.

3. EMPLOYEES

The average monthly number of persons (including directors) employed during the year was 17 (2020: 19).

4. EXCEPTIONAL ITEMS

	2021 £'000	2020 £'000
Redundancy costs	41	-

Due to Covid-19, a restructure of the team was carried out, resulting in a reduction in staffing. It is considered this year, that whilst this disclosure is not material enough to impact decisions made by readers of the accounts, it is significant as a consequence of the global pandemic and our response to such.

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

5. DIRECTORS' REMUNERATION

	2021	2020
	£'000	£'000
Remuneration for qualifying services	294	105
Company pension contributions to defined contribution schemes	7	10
	<u>301</u>	<u>115</u>

One of the company directors is recharged equally across three fellow subsidiaries, however the full cost is shown in these accounts ; the costs of other directors are borne by the ultimate holding company or by fellow subsidiaries.

6. DEBTORS

	2021	2020
	£'000	£'000
Due within one year		
Trade debtors	333	468
Amounts owed by group undertakings	1,491	1,425
Other debtors	<u>178</u>	<u>82</u>
	<u>2,002</u>	<u>1,975</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Trade creditors	121	162
Amounts owed to group undertakings	110	180
Corporation tax	6	9
Taxation and social security	12	17
Other creditors	<u>218</u>	<u>198</u>
	<u>467</u>	<u>566</u>

8. MEMBERS' LIABILITY

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on the winding up such amounts as may be required, not exceeding £1.

IMPROVEMENT DEVELOPMENT GROWTH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

9. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

The group's bankers, National Westminster Bank Plc, hold an unlimited intercompany guarantee dated 2 December 2014 between The Growth Company Limited and the following companies: Chamberlink Limited, Skills and Work Solutions Limited, GM Business Support Limited, Improvement Development Growth Limited, Centre For Assessment Limited, The North West Apprenticeship Company Limited, IQC2 Limited, Aspire Recruitment Partnership Limited, Marketing Manchester Limited, Employment and Regeneration Partnership Limited.

The group's bankers, National Westminster Bank Plc, hold a composite guarantee dated 11 April 2019 between The Growth Company Limited and the following companies: Chamberlink Limited, GM Business Support Limited, Improvement Development Growth Limited, Centre For Assessment Limited, The North West Apprenticeship Company Limited, IQC2 Limited.

The total potential liability of the company in relation to this composite guarantee at 31 March 2021 is £1,355k (2020: £1,496k).

10. RELATED PARTY TRANSACTIONS

In preparing these financial statements, the directors have taken advantage of the exemptions available under section 33, paragraph 1a of the Financial Reporting Standard 102, and have not disclosed transactions entered into between undertakings that are wholly owned within the group.

11. CONTROLLING PARTY

The immediate parent company is Skills and Work Solutions Limited (company number 03918013), a company registered in England and Wales, by virtue of its 100% holding in the voting share capital.

The Growth Company Limited (company number 02443911) is the ultimate parent and is the smallest and the largest group for which consolidated accounts, including Improvement Development Growth Limited, are prepared. Copies of the consolidated accounts of The Growth Company Limited are available from its registered office at Lee House, 90 Great Bridgewater Street, Manchester, M1 5JW.